

COLUMBUS, GA

2024 Q2 MARKET TRENDS

An aerial photograph of Columbus, Georgia, showing a mix of historic brick buildings and modern structures. A prominent water tower stands on the right. A large, semi-transparent red geometric shape, resembling a stylized 'G' or a series of overlapping triangles, is overlaid on the right side of the image. The sky is a clear, light blue.

NAI G2 Commercial

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COLUMBUS OFFICE OVERVIEW

Vacancy Rate

6.6%

Market Rent

\$20.60

Availability Rate

6.7%

Net Absorption

(34,430)

The Columbus office market has a vacancy rate of 6.6%. This vacancy rate is 0.7% higher than it was this time last year. This increase in vacancy occurred because there was 62,000 SF of negative absorption and no net deliveries. Rents have increased 2.2% in the past 12 months and are currently around \$21.00/SF. Nothing is under construction in the Columbus office market. In the past year, there have been 43 sales, which have traded for approximately \$18.1 million in volume and 340,000 SF in stock.

Featured Listing

7413 Whitesville Rd # 700, Columbus, GA 31904



- +/- 3,848 SF building
- Hard to find North Columbus Medical Office Space
- Adequate parking in the office park
- \$4,500 per month
- NNN lease

The entire building is comprised of 3,848 SF, and the built-out clinical space is approximately 3,065 SF. The space includes a well-appointed waiting room with a restroom, a reception area, wide hallways, at least five (5) exam rooms with water cabinets, a procedure room, a lab area, a breakroom, plenty of storage, two (2) physician offices with private bathrooms, and an additional three (3) restrooms.

- Vacancy is 6.9% in 4 & 5 Star buildings, and 950 SF has been absorbed in this asset class over the past year. Within 3 Star buildings, vacancy is 7.5% and there has been 25,000 SF of negative absorption. Around 5.8% of 1 & 2 Star space is vacant, and there has been 38,000 SF of negative absorption over the past year.
- CoStar's estimated cap rate for Columbus has averaged 9.7% over the past three years, which is lower than the current estimated cap rate of 10.4%.
- The total Columbus office market comprises 9.4 million SF of inventory.

COLUMBUS INDUSTRIAL OVERVIEW

Vacancy Rate

7.0%

Market Rent

\$6.89

Availability Rate

7.0%

Net Absorption

69,175

Within this market, logistics space is by far the largest subtype with 14.0 million SF in this category, followed by 8.1 million SF of specialized space and 3.9 million SF of flex space. At a combined total of 26.1 million SF, Columbus is smaller than the average industrial market. In the past three years, rents have increased a cumulative 29.4%. Furthermore, this is a structurally inexpensive market, with average rents far below the national average of \$12.00/SF.

Featured Listing

3663 1st Avenue, Columbus, GA 31904



- +/-402,900 SF warehouse space on +/-16.1 acre site
- Operating business nets over \$750k/year in rental income, significant upside potential

River Mill warehousing and storage facility available for purchase. +/-402,900 SF of total warehouse space on a +/-16.1 acre site. Operating warehouse, boat/RV/auto storage, and self-storage businesses generate over \$750,000/year in net lease income. The building is fully-sprinklered, ceiling heights vary from +/-14' to +/-18', and most spaces include LED lighting.

- Vacancy in the Columbus industrial market is 7.0% and has increased 2.5% over the past 12 months. Meanwhile, the national average increased by 1.9%.
- Over the past three years, there have been 141 sales, which have traded for approximately \$129 million. The market cap rate for Columbus is 9.2%, moderately above its trailing three-year average of 8.5%
- Although both employment and population have grown in the past year, employment growth has outpaced population growth. The number of jobs has increased 1.9% in the past year, while the population has grown by 0.2%

COLUMBUS RETAIL OVERVIEW

Vacancy Rate

4.4%

Market Rent

\$18.12

Availability Rate

4.4%

Net Absorption

(12,105)

The Columbus retail market has a vacancy rate of 4.4%. This vacancy rate is 0.1% lower than it was this time last year. There has been 39,000 SF of positive absorption and 21,000 SF of net deliveries. Rents have increased 4.4% in the past 12 months and are currently around \$18.10/SF. Roughly 15,000 SF is under construction in the Columbus retail market. In the past year, there have been 63 sales, which have traded for approximately \$38.1 million in volume and 460,000 SF in stock.

Featured Listing

3857 Saint Marys Road, Columbus, GA 31906



- +/- 20,868 SF Freestanding Building
- Zoned GC: General Commercial
- Low Maintenance, Passive Income Opportunity

3857 St. Mary's Road is a +/- 20,868 SF freestanding building which sits on +/- 2.63 acres. This space is currently being used as a retail store with Goodwill Outlet Store as the tenant and is zoned GC: general commercial. The current tenant has committed to a 10-year lease extension. This property is listed at \$1,750,000, includes signage and has 56 parking spots available (4 handicap spaces).

- Vacancy is 3.4% in general retail buildings, and there has been 38,000 SF of negative absorption in this asset class over the past year. Vacancy is 4.0% in malls, and 56,000 SF has been absorbed in this asset class over the past year. Vacancy is 11.5% in power centers, and there has been 25,000 SF of negative absorption in this asset class over the past year. Vacancy is 4.1% in strip centers, and there has been 5,600 SF of negative absorption in this asset class over the past year. Vacancy is 6.3% in neighborhood centers, and 53,000 SF has been absorbed in this asset class over the past year.
- Rents are around \$16.70/SF in general retail buildings, \$27.00/SF in malls, \$15.80/SF in power centers, \$17.90/SF in strip centers, and \$16.70/SF in neighborhood centers. Rent growth was 3.6% in general retail buildings, 7.0% in malls, 1.2% in power centers, 4.3% in strip centers, and 4.7% in neighborhood centers.



Deal of the Quarter

**602 10th Avenue
Columbus, GA 31901**

NAI G2 Commercial Real Estate is pleased to announce the recent sale of 602 10th Avenue, Columbus GA (the "Bakery"). David Johnson represented the seller and Jack Hayes represented the buyer in the transaction. The Bakery is a 137,000 square foot industrial building on a 13 acre site, was formerly owned by Snyder's-Lance and served as their primary bakery and snack manufacturing plant. The Bakery was the last remaining parcel of the Snyder's-Lance campus, a portfolio of 6 buildings totaling over 500,000 square feet marketed and sold by Johnson and Hayes over the past 2 years.

"We initially thought this property would be one of the first to sell, but its size and configuration proved to be much more challenging than expected. We kept working and my partner Jack finally found the right buyer." (David Johnson)

The sale was a win/win for the seller, buyer, and our local economy. Ankerpak, LLC, a Columbus-based company, purchased the property to serve as their newest south Columbus manufacturing facility and expects the operation to generate a substantial number of new jobs. NAI G2 Commercial is the most active industrial broker in the West Georgia / East Alabama region and has sold or leased nearly 20,000,000 square feet of industrial property during the last 15 years.

**Congratulations to David Johnson and Jack Hayes, CCIM, SIOR
on this \$2,300,000 transaction!**



David C. Johnson

Principal
Managing Broker



Jack Hayes
SIOR, CCIM

Principal
Commercial Advisor



Christina Vogler

Chief Operations Officer



Rem Brady

Partner
Commercial Advisor



Dave Jackson

Partner
Commercial Advisor



Amy D. Gill

Partner
Commercial Advisor



Lakshmi Karthik

Partner
Commercial Advisor



Shaun Roberts

Associate Broker
Commercial Advisor



Ashley Wheeler

Commercial Advisor



Troy Reynolds

Multifamily Advisor



Mike Cosmah

Multifamily Advisor



Lane Mobley

Commercial Advisor



Ticer Wilson

Commercial Advisor



Brittany Millspough

Brokerage
Administrator



Kate Eberhardt

Marketing
Administrator



Sarah Parrish

Property Manager



Chris Patterson

Property Manager



Chris Patterson

Maintenance
Technician